

Department of Insurance

DIVISION SUMMARY:	FY 2005 Total Appr	FY 2005 Actual	FY 2006 Total Appr	FY 2007 Request	FY 2007 Gov Rec	FY 2007 Approp
BY PROGRAM						
Insurance Regulation	5,345,400	4,657,600	6,005,900	6,387,700	6,321,400	6,246,300
State Fire Marshal	939,000	903,200	1,084,100	1,098,000	1,086,900	1,089,500
Total:	6,284,400	5,560,800	7,090,000	7,485,700	7,408,300	7,335,800
BY FUND SOURCE						
Dedicated	6,115,800	5,317,700	6,871,600	7,249,100	7,169,300	7,096,800
Federal	168,600	243,100	218,400	236,600	239,000	239,000
Total:	6,284,400	5,560,800	7,090,000	7,485,700	7,408,300	7,335,800
Percent Change:		(11.5%)	27.5%	5.6%	4.5%	3.5%
BY EXPENDITURE CLASSIFICATION						
Personnel Costs	4,139,900	3,826,700	4,426,700	4,322,200	4,255,900	4,378,400
Operating Expenditures	1,992,500	1,523,900	2,331,800	2,929,100	2,929,100	2,734,100
Capital Outlay	149,500	207,700	329,000	231,900	220,800	220,800
Trustee/Benefit	2,500	2,500	2,500	2,500	2,500	2,500
Total:	6,284,400	5,560,800	7,090,000	7,485,700	7,408,300	7,335,800
Full-Time Positions (FTP)	70.50	70.50	71.50	71.50	71.50	73.00

In accordance with Idaho Code §67-3519, this agency is authorized no more than 73 full-time equivalent positions at any point during the period July 1, 2006 through June 30, 2007 for the programs specified.

	FTP	Gen	Ded	Fed	Total
FY 2006 Original Appropriation	71.50	0	6,795,900	217,000	7,012,900
One-time 1% Salary Increase H395	0.00	0	35,700	0	35,700
Omnibus CEC Supplemental S1263	0.00	0	40,000	1,400	41,400
FY 2006 Total Appropriation	71.50	0	6,871,600	218,400	7,090,000
Non-Cognizable Funds and Transfers	0.00	0	7,500	88,600	96,100
FY 2006 Estimated Expenditures	71.50	0	6,879,100	307,000	7,186,100
Removal of One-Time Expenditures	0.00	0	(505,800)	(72,000)	(577,800)
FY 2007 Base	71.50	0	6,373,300	235,000	6,608,300
Benefit Costs Including H844	0.00	0	(59,400)	0	(59,400)
Inflationary Adjustments	0.00	0	27,200	1,800	29,000
Replacement Items	0.00	0	275,800	0	275,800
Statewide Cost Allocation	0.00	0	216,100	0	216,100
Change in Employee Compensation H844	0.00	0	63,800	2,200	66,000
Nondiscretionary Adjustments	0.00	0	50,000	0	50,000
FY 2007 Program Maintenance	71.50	0	6,946,800	239,000	7,185,800
Line Items	1.50	0	150,000	0	150,000
FY 2007 Total	73.00	0	7,096,800	239,000	7,335,800
% Chg from FY 2006 Orig Approp.	2.1%		4.4%	10.1%	4.6%
% Chg from FY 2006 Total Approp.	2.1%		3.3%	9.4%	3.5%

I. Department of Insurance: Insurance Regulation

STARS Number & Budget Unit: 280 INAB, 280 INAD(Cont), 280 INAE(Cont), 280 INAG(Cont), 280 INAH(Cont)

Bill Number & Chapter: H808 (Ch.335), H844 (Ch.375), S1263 (Ch.1)

PROGRAM DESCRIPTION: The Insurance Regulation program is comprised of a Company Activities Bureau and Consumer Affairs Bureau. The Company Activities Bureau is charged with monitoring the financial condition of all insurance entities licensed or approved to sell insurance in this state to ensure that each will be able to meet its obligations to policyholders and creditors. The Consumer Affairs Bureau licenses insurance agents, brokers, insurance counselors, third party administrators, adjusters, and managing general agents. The Consumer Affairs Bureau is also responsible for the Senior Health Insurance Benefits Advisors (SHIBA), a network of volunteers that provide information and counseling to senior citizens. [Statutory Authority: Idaho Code §41-201 et seq.]

PROGRAM SUMMARY:	FY 2005 Total Appr	FY 2005 Actual	FY 2006 Total Appr	FY 2007 Request	FY 2007 Gov Rec	FY 2007 Approp
BY FUND SOURCE						
Dedicated	5,176,800	4,414,500	5,787,500	6,151,100	6,082,400	6,007,300
Federal	168,600	243,100	218,400	236,600	239,000	239,000
Total:	5,345,400	4,657,600	6,005,900	6,387,700	6,321,400	6,246,300
Percent Change:		(12.9%)	28.9%	6.4%	5.3%	4.0%
BY EXPENDITURE CLASSIFICATION						
Personnel Costs	3,499,800	3,231,600	3,755,800	3,671,000	3,612,300	3,732,200
Operating Expenditures	1,715,800	1,256,200	2,037,300	2,579,600	2,579,600	2,384,600
Capital Outlay	127,300	167,300	210,300	134,600	127,000	127,000
Trustee/Benefit	2,500	2,500	2,500	2,500	2,500	2,500
Total:	5,345,400	4,657,600	6,005,900	6,387,700	6,321,400	6,246,300
Full-Time Positions (FTP)	60.50	60.50	61.50	61.50	61.50	63.00
DECISION UNIT SUMMARY:						
	FTP	General	Dedicated	Federal	Total	
FY 2006 Original Appropriation	61.50	0	5,723,600	217,000	5,940,600	
One-time 1% Salary Increase H395	0.00	0	30,300	0	30,300	
Omnibus CEC Supplemental S1263	0.00	0	33,600	1,400	35,000	
FY 2006 Total Appropriation	61.50	0	5,787,500	218,400	6,005,900	
Non-Cognizable Funds and Transfers	0.00	0	7,500	88,600	96,100	
FY 2006 Estimated Expenditures	61.50	0	5,795,000	307,000	6,102,000	
Removal of One-Time Expenditures	0.00	0	(359,800)	(72,000)	(431,800)	
FY 2007 Base	61.50	0	5,435,200	235,000	5,670,200	
Benefit Costs Including H844	0.00	0	(51,900)	0	(51,900)	
Inflationary Adjustments	0.00	0	22,200	1,800	24,000	
Replacement Items	0.00	0	182,000	0	182,000	
Statewide Cost Allocation	0.00	0	216,100	0	216,100	
Change in Employee Compensation H844	0.00	0	53,700	2,200	55,900	
FY 2007 Maintenance (MCO)	61.50	0	5,857,300	239,000	6,096,300	
1. Increased Examination Costs	0.00	0	50,000	0	50,000	
2. HB 658 (2004 Session Legislation)	1.50	0	100,000	0	100,000	
FY 2007 Total Appropriation	63.00	0	6,007,300	239,000	6,246,300	
% Change From FY 2006 Original Approp.	2.4%		5.0%	10.1%	5.1%	
% Change From FY 2006 Total Approp.	2.4%		3.8%	9.4%	4.0%	

SUPPLEMENTALS: H395 provided a one-time 1% Change in Employee Compensation (CEC) increase that was contingent upon the General Fund balance at the end of fiscal year 2005. In addition, S1263 provided an early 3% ongoing CEC beginning in February of 2006 for 10 pay periods.

APPROPRIATION HIGHLIGHTS: Benefit costs were adjusted to provide that one medical insurance premium holiday and seven life insurance premium holidays be paid from reserves. JFAC also stipulated that increases in health insurance costs be paid from reserves. An inflationary increase of 1.9% was provided for operating expenditures and trustee and benefit payments. Replacement items included 24 personnel computers, 4 laptops, 3 servers, a copy machine, 5 printers as well as on-going operating costs of \$55,000 for a new database system that will be funded out of operating savings. Statewide cost allocation reflected changes in Attorney General, Controller and Treasurer fees, and risk management rates. In addition to benefit funding, H844 funded CEC costs for the remaining 16 pay periods in FY 2007. Funding was also provided for increased costs of insurance examinations (\$50,000) and for implementation of HB 658 (2004 Long-Term Care Partnerships legislation) in the amount of \$100,000 and 1.5 FTP's.

FY 2007 APPROPRIATION:	FTP	Pers. Cost	Oper Exp	Cap Out	T/B Pymnts	Lump Sum	Total
D 0229-10 Self-Governing, Oper	62.00	3,516,800	2,269,200	0	0	0	5,786,000
OT D 0229-10 Self-Governing, Oper	0.00	0	0	127,000	0	0	127,000
D 0349-00 Miscellaneous Rev	1.00	78,600	15,700	0	0	0	94,300
F 0348-00 Federal Grant	0.00	136,800	99,700	0	2,500	0	239,000
Totals:	63.00	3,732,200	2,384,600	127,000	2,500	0	6,246,300

II. Department of Insurance: State Fire Marshal

STARS Number & Budget Unit: 280 INAC

Bill Number & Chapter: H808 (Ch.335), H844 (Ch.375), S1263 (Ch.1)

PROGRAM DESCRIPTION: The State Fire Marshal focuses on fire prevention and arson investigation. This is done by enforcing the Uniform Fire Code, investigating suspected arson or fraud, and educating the public in matters of fire prevention and hazardous conditions in buildings or premises. [Statutory Authority: Idaho Code §41-253 - 268]

PROGRAM SUMMARY:	FY 2005 Total Appr	FY 2005 Actual	FY 2006 Total Appr	FY 2007 Request	FY 2007 Gov Rec	FY 2007 Approp
BY FUND SOURCE						
Dedicated	939,000	903,200	1,084,100	1,098,000	1,086,900	1,089,500
Percent Change:		(3.8%)	20.0%	1.3%	0.3%	0.5%
BY EXPENDITURE CLASSIFICATION						
Personnel Costs	640,100	595,100	670,900	651,200	643,600	646,200
Operating Expenditures	276,700	267,700	294,500	349,500	349,500	349,500
Capital Outlay	22,200	40,400	118,700	97,300	93,800	93,800
Total:	939,000	903,200	1,084,100	1,098,000	1,086,900	1,089,500
Full-Time Positions (FTP)	10.00	10.00	10.00	10.00	10.00	10.00

DECISION UNIT SUMMARY:	FTP	General	Dedicated	Federal	Total
FY 2006 Original Appropriation	10.00	0	1,072,300	0	1,072,300
One-time 1% Salary Increase H395	0.00	0	5,400	0	5,400
Omnibus CEC Supplemental S1263	0.00	0	6,400	0	6,400
FY 2006 Total Appropriation	10.00	0	1,084,100	0	1,084,100
Removal of One-Time Expenditures	0.00	0	(146,000)	0	(146,000)
FY 2007 Base	10.00	0	938,100	0	938,100
Benefit Costs Including H844	0.00	0	(7,500)	0	(7,500)
Inflationary Adjustments	0.00	0	5,000	0	5,000
Replacement Items	0.00	0	93,800	0	93,800
Change in Employee Compensation H844	0.00	0	10,100	0	10,100
Increased Cost for Sprinkler Plan Reviews	0.00	0	50,000	0	50,000
FY 2007 Total Appropriation	10.00	0	1,089,500	0	1,089,500
% Change From FY 2006 Original Approp.	0.0%		1.6%		1.6%
% Change From FY 2006 Total Approp.	0.0%		0.5%		0.5%

SUPPLEMENTALS: H395 provided a one-time 1% Change in Employee Compensation (CEC) increase that was contingent upon the General Fund balance at the end of fiscal year 2005. In addition, S1263 provided an early 3% ongoing CEC beginning in February of 2006 for 10 pay periods.

APPROPRIATION HIGHLIGHTS: Benefit costs were adjusted to provide that one medical insurance premium holiday and seven life insurance premium holidays be paid from reserves. JFAC also stipulated that increases in health insurance costs be paid from reserves. An inflationary increase of 1.9% was provided for operating expenditures. Replacement items included 3 personnel computers, 3 laptops, 3 vehicles, and other miscellaneous equipment. Statewide cost allocation reflected changes in Attorney General, Controller and Treasurer fees, and risk management rates. In addition to benefit funding, H844 funded CEC costs for the remaining 16 pay periods in FY 2007.

FY 2007 APPROPRIATION:	FTP	Pers. Cost	Oper Exp	Cap Out	T/B Pymnts	Lump Sum	Total
D 0229-11 State Fire Marshal	10.00	646,200	349,500	0	0	0	995,700
OT D 0229-11 State Fire Marshal	0.00	0	0	93,800	0	0	93,800
Totals:	10.00	646,200	349,500	93,800	0	0	1,089,500